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To: M.A.Young

RE: Monthly Status Report-January 1998

I. Chain Activities:

Inserra Shop Rite (24): The Wayne and Jersey city stores are in the process of being remodeled. A meeting is planned for the first week of February to review our Carton merchandisers and to go over the best possible NSS set up for his stores. APD pack displays have been set up in all stores.

Raceway Gas (14): Grand Opening for the Greenbrook location is scheduled for next Friday. Due to consumer demand, Buyer Nick Kambitsis is very interested in running an Empty pack trade in promotion in the near future. A meeting has been scheduled for early February to do a store by store survey for the new APD fixtures and to review business. I will recommend our Forsyth brand "Charter" to replace L&M's brand "Canyon" which held 2.89% SOM in the fourth quarter.

Speedy Mart(3): After almost 2 months of the Winston Empty Pack Trade In, box styles only, we have collected over 1800 packs. Beginning in February we will add the soft pack styles to the promotion. APD set up for all stores is scheduled for early next week.

Krauszers (23): Buyer Wendy Lyman said this chain is interested in putting carton racks in a few of the Connecticut locations. I will meet with Wendy next week to review the plans and go over the locations. I will then review these locations with the Sales Reps who call on those stores and make a descion based on their input. At this time almost half of these stores are PM exclusive.

<u>Vitale Foodtown (11):</u> CEO Martin Vitale has been indicted on the charge for embezzling over 12 million dollars from Twin County. The chain recently filed for chapter 11. Met with Buyer Rich Plishka last week and there is no news as far as how this will effect the stores.

<u>Cumberland Farms</u>: Reset the Mt. Freedom store with 8 feet of carton/ pack rack behind the counter. This is a test store for Cumberland Farms to see what happens to their business when they remove the cigarette displays from the counter. Plans are to set this store up with the "New World" Merchandisers and make it a true test store for both companies.

II. Direct Accounts:

<u>CSD</u>: With the final week of data in it looks like Herb dropped from making \$0.32 per carton down to \$0.17 per carton. He still winds up with \$27,274.00, which is not bad considering last half he made only \$0.03 per carton for data.

<u>Twin County:</u> Sold Doral Lt Box 100 and Doral Fuli Flavor 100 Box at last meeting. These two new styles should be available mid-February.

III. Miscellaneous

- Worked with RM Kari Roth 1/22
- Worked with RR Jackie Sorkin 1/28

IV. Competitive Promotions:

- Marlboro Ultra Lights introduction \$020 off a pack
- · Buy 2 packs Merit get one free
- Kool \$0.40 off a pack
- Newport \$0.30 off a pack
- Buy 2 packs Parliament get free playing cards

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